South Coast Air Quality Management District

Statement of Basis

Proposed Title V Permit Renewal

Facility Name: Lifoam Industries, LLC.

Facility ID: 144455 SIC Code: 2821

Equipment Location: 2340 East 52nd Street

Vernon, CA 90058

Application #(s): 554736

Application Submittal Date(s): 07/30/2013

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1. Introduction and Scope of Permit

Title V is a national operating permit program for air pollution sources. Facilities subject to Title V must obtain a Title V permit and comply with specific Title V procedures. This permit replaces the facility's existing permits. Title V does not necessarily include any new requirements for reducing emissions. It does, however, include new permitting, noticing, recordkeeping, and reporting requirements.

Pursuant to Title V of the federal Clean Air Act and SCAQMD Rule 3004(f), a Title V permit shall expire five years from the date of issuance unless such permit has been renewed. Accordingly, each facility is required to submit a Title V renewal application and request the SCAQMD to renew their Title V permit. The proposed permit incorporates updates to the facility information provided in the facility's Title V renewal application and all rules and regulations that are currently applicable to the facility.

The SCAQMD implements Title V through Regulation XXX – Title V Permits, adopted by the SCAQMD Governing Board in order to comply with EPA's requirement that local air permitting authorities develop a Title V program. Regulation XXX was developed with the participation of the public and affected facilities through a series of public workshops, working group meetings, public hearings and other meetings.

The Title V major source threshold for a particular pollutant depends on the attainment status of the pollutant. NO_2 , SO_2 , CO, and PM_{10} are in attainment with federal standards. The status for lead is nonattainment. The status for ozone is currently extreme nonattainment.

A Title V permit is proposed to be issued to cover the operations of Lifoam Industries, LLC, (Lifoam) 2340 East 52nd Street, Vernon, CA 90058. This facility is subject to Title V requirements because it is a major source.

2. Facility Description

Lifoam is a Title V facility that manufactures expanded polystyrene (EPS) foam products such as small coolers, food containers, packaging material, and various custom molded products. Lifoam is an EPS shape molder. Lifoam currently operates one polystyrene foam expansion/molding system and one boiler. The polystyrene foam expansion/molding system consists of two pre-expanders, 50 aging silos, 19 shape molding presses, and associated conveyors and hoppers. The VOC emissions from the polystyrene foam expansion/molding system are being controlled by a regenerative thermal oxidizer (RTO).

3. Construction and Permitting History

The facility has been in operation with a Title V permit at this location since 2009. This is the first time the facility is applying for the Title V permit renewal. Since the initial Title V permit was issued to the facility, three permit revisions were subsequently issued to the facility as indicated as follows:

- January 5, 2010 Minor Title V Permit Revision (Modification/Alteration to the EPS Foam Production System)
- April 16, 2010 Minor Title V Permit Revision (Change of RTO Operation Conditions)
- September 26, 2012 Administrative Title V Permit Revision (Issuing Permit To Operate for a Boiler Previously Issued Permit To Construct). This boiler is currently removed from the facility.

4. Regulatory Applicability Determinations

Applicable legal requirements for which this facility is required to comply are required to be identified in the Title V permit (for example, Section D, E, and H of the proposed Title V permit). Applicability determinations (i.e., determinations made by the District with respect to what legal requirements apply to a specific piece of equipment, process, or operation) can be found in the Engineering Evaluations. This facility is not subject to any NESHAP requirements. However, the facility is subject to the requirements of 40CFR60 Subpart Dc – Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units. These NSPS requirements are reflected in the Title V permit.

5. Monitoring and Operational Requirements

Applicable monitoring and operational requirements for which the facility is required to comply are identified in the Title V permit (for example, Section D, F, and J and Appendix B of the proposed Title V permit). Discussion of any applicable operational requirements can be found in the Engineering Evaluations. All periodic monitoring requirements were developed using strict adherence to the following applicable guidance documents: SCAQMD Periodic Monitoring Guidelines for Title V Facilities (November 1997); CAPCOA/CARB/EPA Region IX Periodic Monitoring Recommendations for Generally Applicable Requirements in SIP (June 1999); and CAPCOA/CARB/EPA Region IX Recommended Periodic Monitoring for Generally Applicable Grain Loading Standards in the SIP: Combustion Sources (July 2001).

The VOC emissions from the EPS softening and pre-expansion systems, EPS aging silos and molding presses are being controlled by the RTO. The uncontrolled VOC emissions to the RTO are greater than the major source threshold for 10 tons per year. As a result, the RTO is subject to the Compliance Assurance Monitoring (CAM) requirements of 40 CFR Part 64. Permit conditions have been added to satisfy the CAM requirements. Such permit conditions were developed using the design criteria and other pertinent requirements identified in 40 CFR 64 - Compliance Assurance Monitoring and Technical Guidance Document and in the August 1998 Revised Draft CAM.

6. <u>Permit Features</u>

Permit Shield

A permit shield is an optional part of a Title V permit that gives the facility an explicit protection from requirements that do not apply to the facility. A permit shield is a provision in a permit that states compliance with the conditions of the permit shall be deemed compliance with all identified regulatory requirements. To incorporate a permit shield into the Title V permit involves submission of applications for change of conditions for each equipment affected by the permit shield. Permit shields are addressed in Rule 3004 (c). This facility has not applied for a permit shield.

Streamlining Requirements

Some emission units may be subject to multiple requirements which are closely related or redundant. The conditions may be streamlined to simplify the permit conditions and compliance. Emission limits, work practice standards, and monitoring, recordkeeping, and reporting requirements may be streamlined. Compliance with a streamlined condition will be deemed compliance with the underlying requirements whether or not the emission unit is actually in compliance with the specific underlying requirement. This facility has not applied for any streamlined conditions.

7. Summary of Emissions and Health Risks

Criteria Pollutant Emissions (tons/year)
Annual Reported Emissions for Reporting Period 2012

Pollutant	Emissions (tons/year)
NOx	0.780
СО	1.934

VOC	28.284
PM	0.219
SOx	0.014

Toxic Air Contaminants Emissions (TAC)
Annual Reported Emissions for Reporting Period 2012

The Following TACs Were Reported	Emissions (lbs/yr)
1,3-Butadiene	0.018
Ammonia	157.472
Benzene	0.376
Formaldehyde	0.707
Naphthalene	0.017
PAHs, total, with components not reported	0.004

Health Risk from Toxic Air Contaminants

The facility is subject to review by the Air Toxics Information and Assessment Act (AB2588). The facility was determined to be exempt from AB2588 requirements.

8. Compliance History

As noted, the facility has been in constant operation with a Title V permit since 2009. The facility has been subject to both self-reporting requirements and SCAQMD inspections. The facility has had no citizen complaints filed and has not been issued a Notice of Violation in the last two calendar years. However, in the recent two years, the applicant was issued one Notice to Comply, which is indicated as follows:

• Notice to Comply (NC E19795) issued on 2/26/2015 requiring the operator to conduct tune-ups for the large source boiler, D128.

<u>Compliance Status:</u> The facility conducted tune-ups for the boiler; and thus, has achieved compliance with the notice on 03/17/2015.

The facility is currently operating in compliance with all applicable rules and regulations.

9. <u>Compliance Certification</u>

By virtue of the Title V permit application and issuance of this permit, the reporting frequency for compliance certification for the facility shall be annual.